GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1984
ANSWERED ON:04.08.2000
LAWS FOR COLLABORATION WITH FOREIGN COUNTRIES
RAJESH RANJAN (PAPPU YADAV)

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the existing laws governing investments in India in collaboration with any foreign company;

(b) whether the government have received any complaints regarding violation of these laws;

(c) if so, the details thereof for the last two years; and

(d) the action taken by the Government so far in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

(a) to (d) : Foreign Direct Investment (FDI) into the country is governed by the provisions of Foreign Exchange Maintenance Act (FEMA).To implement the projects for which FDI has been brought into India, usually a company is incorporated in India under the Companies Act, 1956. Once incorporated it has to abide by all the Indian laws as a corporate entity. As and when any Indian law is violated by a company, it is proceeded against as per law of the land. Information regarding violation of laws is not centrally maintained.